BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

In the Matter of the Application of)

HOH UTILITIES, LLC, OBAYASHI HAWAII CORPORATION, and

MARRIOTT OWNERSHIP RESORTS, INC.

for Approval for HOH Utilities, LLC)
to (a) Acquire the Interests of the)
Poipu Water Reclamation Facility)
Owned by Obayashi Hawaii)
Corporation and Marriott Ownership)
Resorts, Inc.; (b) Modify its)
Certificate of Public Convenience)
and Necessity to Expand its Service)
Territory; and (c) Establish)
Initial Rates.

DOCKET NO. 04-0094

ORDER NO. 21114

Chief Clerk of the Commission

ATTEST: A True Copy KAREN HIGASHI Chief Clerk, Public Utilities Commission, State of Hawaii.

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and Necessity to Expand its Service)
Territory; and (c) Establish)
Initial Rates.

Docket No. 04-0094 Order No. 21114

<u>ORDER</u>

I.

Introduction

By an application filed on May 6, 2004, HOH UTILITIES, LLC ("HOH"), OBAYASHI HAWAII CORPORATION ("OHC"), and MARRIOTT OWNERSHIP RESORTS, INC. ("MORI") (collectively, "Applicants") request that the commission approve: (a) the proposed transfer of OHC's and MORI's respective interests in the Poipu Water Reclamation Facility located at Poipu, Kauai, to HOH; (b) the expansion of HOH's service territory to cover the geographic areas comprising the properties controlled or previously controlled by OHC and MORI; and (c) establish an initial rate for hotel properties. Applicants make the request in accordance with Hawaii Revised Statutes ("HRS") §§ 269-7.5 and 269-16.

Applicants served copies of the application on the DIVISION OF CONSUMER ADVOCACY, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS ("Consumer Advocate"), an ex officio party to this docket, pursuant to HRS § 269-51.

II.

Discussion

The commission believes that the establishment of a procedural schedule at this juncture will aid in the efficient and timely disposition of this matter. Thus, we conclude that Applicants and the Consumer Advocate should meet informally to formulate the issues, procedures, and schedule with respect to this proceeding, to be set forth in a stipulated prehearing order that shall be submitted for commission approval within 30 days from the date of this order. In the alternative, if the parties are unable to stipulate to such order, we conclude that each party shall submit a proposed prehearing order for the commission's consideration within 30 days from the date of this order.

III.

Orders

THE COMMISSION ORDERS that Applicants and the Consumer Advocate shall meet informally to formulate the issues, procedures, and schedule with respect to this proceeding, to be set forth in a stipulated prehearing order. The stipulated prehearing order shall be submitted for commission approval within 30 days of this order. If Applicants and the Consumer Advocate are unable to stipulate to

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such an order, each party shall submit a proposed prehearing order for the commission's consideration by the same date.

DONE at Honolulu, Hawaii this 12th day of July, 2004.

PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

y_____

Carlito P. Caliboso, Chairman

Ву

ayne H. Kimura, Commissioner

Ву

Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:

Benedyne S. Stone Commission Counsel

04-0094.cs

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 21114 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS DIVISION OF CONSUMER ADVOCACY P. O. Box 541 Honolulu, HI 96809

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Attorney for MARRIOTT OWNERSHIP RESORTS, INC.

Karen Higashi

DATED: July 12, 2004